

THE WHITE HOUSE  
WASHINGTON

January 20, 1977

*Presidential Directive/NSC- 2*

TO: The Vice President  
The Secretary of State  
The Secretary of Defense

ALSO:

The Secretary of the Treasury  
The Attorney General  
The United States Representative to the United Nations  
The Director, Office of Management and Budget  
The Assistant to the President for National Security Affairs  
The Chairman, Council of Economic Advisors  
The Administrator, Agency for International Development  
The Director, Arms Control and Disarmament Agency  
The Chairman, Joint Chiefs of Staff  
The Director of Central Intelligence  
The Administrator, Energy Research and Development Administration

SUBJECT: The National Security Council System

To assist me in carrying out my responsibilities for the conduct of national security affairs, I hereby direct the reorganization of the National Security Council. The reorganization is intended to place more responsibility in the departments and agencies while insuring that the NSC, with my Assistant for National Security Affairs continues to integrate and facilitate foreign and defense policy decisions.

*a. The National Security Council (NSC)*

The functions, membership and responsibilities of the National Security Council shall be as set forth in the National Security Act of 1947, as amended. In addition, other senior officials, including the Secretary of the Treasury, the Attorney General, the United States Representative to the United Nations, the Director of the Office of Management and Budget, the Assistant to the President for National Security Affairs, the Chairman of the Council of Economic Advisors, the Director of the Arms Control and Disarmament Agency, the Chairman of the Joint Chiefs of Staff, the Director of Central Intelligence, and the Administrator of the Energy Research and Development Administration shall attend appropriate NSC meetings.

The National Security Council shall be the principal forum for international security issues requiring Presidential determination. The NSC shall assist me in analyzing, integrating and facilitating foreign, defense, and intelligence policy decisions. International economic and other interdependence issues which are pertinent to national security shall also be considered by the NSC.

The Council shall meet regularly. The Assistant to the President for National Security Affairs, at my direction and in consultation with the Secretaries of State and Defense and, when appropriate, the Secretary of the Treasury and Chairman, Council of

Economic Advisers, shall be responsible for determining the agenda and insuring that the necessary papers are prepared. Other members of the NSC may propose items for inclusion on the agenda. The Assistant to the President shall be assisted by a National Security Council Staff, as provided by law.

*b. NSC Policy Review Committee*

An NSC Policy Review Committee is hereby established to develop national security policy for Presidential decision in those cases where the basic responsibilities fall primarily within a given department but where the subject also has important implications for other departments and agencies. The Committee shall deal with such matters as:

- foreign policy issues that contain significant military or other interagency aspects;
- defense policy issues having international implications and the coordination of the annual Defense budget with foreign policy objectives;
- the preparation of a consolidated national intelligence budget and resource allocation for the intelligence Community (thus assuming under the chairmanship of the Director of Central Intelligence the functions and responsibilities of the Committee on Foreign Intelligence); and
- those international economic issues pertinent to U.S. foreign policy and security, with staffing of the underlying economic issues through the Economic Policy Group.

I shall designate for each meeting the appropriate Chairman of the Policy Review Committee and attendance, depending on the subject matter being considered. Membership, in addition to the statutory members of the NSC and the Assistant for National Security Affairs, shall include, as appropriate, other senior officials.

*C. The NSC Special Coordination Committee*

A second NSC Committee, the Special Coordination Committee, is hereby established to deal with specific cross-cutting issue requiring coordination in the development of options and the implementation of Presidential decisions. The Committee shall deal with such matters as: the oversight of sensitive intelligence activities, such as covert operations, which are undertaken on Presidential authority-arms control evaluation' and it will assist me in crisis management.

The Special Coordination Committee shall be chaired by the Assistant for National Security Affairs. Membership shall include the statutory members of the NSC, or their representatives, and other senior officials, as appropriate.

*d. NSC Interdepartmental Groups*

Existing NSC Interdepartmental Groups, chaired by a designated senior departmental official, or to continue as needed under the direction of the NSC Policy Review Committee.

The membership of the Interdepartmental Groups shall include the agencies represented on the NSC Policy Review Committee. Depending on the issue under

consideration, other agencies shall be represented at the discretion of the Policy Review Committee.

*e. The National Security Ad Hoc Groups*

When appropriate, I intend to appoint, NSC Ad Hoc Groups to deal with particular problems, including those which transcend departmental boundaries.

/s/ Jimmy Carter